

Memorandum for:

The attached papers ("Political Implications of Your Visit to West Germany and West Berlin," [] "Appointment of Eberhard Blum to Head the BND," [] and "French-US Relations and French-Soviet Relations," []) were requested by Vice President Bush as background for his trip to Western Europe in late January.

25X1

25X1

25X1

EUR M 83-10010

7 January 1983

**E U R A****Office of European Analysis****Distribution:**

Orig - Vice President Bush
1 - DDI
1 - ADDI
1 - DDI Registry
1 - ExDir
1 - NIO/WE.
1 - OD/EURA
2 - EURA Production Staff
4 - IMC/CB
1 - Branch file
1 - Division file
1 - Author

DDI/EURA/WE, [] (5Jan83)

25X1

25X1

6 January 1983

MEMORANDUM FOR: The Vice President

SUBJECT : Political Implications of Your Visit to
West Germany and West Berlin (30 January
- 1 February 1983)

1. The West German election campaign will be in full swing at the time of your visit, but we do not believe the visit will be viewed as interference in the electoral process to the detriment -- or benefit -- of one party or another.

25X6

[redacted], your scheduled meetings with representatives of all parties, including SPD Chancellor-candidate Hans-Jochen Vogel, will help to avoid any impression of favoritism.

2. Two other factors will underscore the non-partisan nature of the trip:

- If past trends hold, media coverage will focus heavily on your visit to West Berlin. For all Germans, such a visit carries great symbolic importance that transcends political differences -- a phenomenon difficult for outsiders to comprehend. It is a sign to them of NATO's commitment to defend a vulnerable West Germany. Because of this, the opposition probably welcomes your visit as much as the CDU/CSU, and the SPD would only lose votes if it criticized your visit as partisan.
- Your visits to other capitals will further reduce the possibility of the trip being portrayed as an attempt to influence the election. Were you to fail to include Bonn on an itinerary including Western Europe, however, this would cause great concern among government and opposition alike.

3. The SPD will hold its pre-election convention on 21

25X1

25X1

25X1

January.

25X1

the visit will provide an opportunity to restate the US position on INF in the aftermath of what will certainly be heavy media coverage of Gromyko's visit the week before.

4. We do not expect any major anti-American demonstrations during your visit such as occurred during the President's trip last June. Demonstrating against the United States is not politically popular in West Germany and, consequently, even less likely during an election campaign. We would not rule out, however, that less politically astute groups such as the Greens may organize small demonstrations, a move that all major parties probably would criticize.

25X1

25X1

6 January 1983

MEMORANDUM FOR: The Vice President

SUBJECT : Appointment of Eberhard Blum to Head
the Bundesnachrichtendienst (BND)

1. Eberhard Blum, the BND representative in Washington until September 1982, recently was appointed President of the BND. Blum was called out of retirement by the Kohl government and confirmed in his position just before Christmas.

25X6

3. Blum has always been close to West German conservatives by predilection as well as by his intimate involvement in the creation of the BND in the Adenauer days. Indeed, he may have viewed his assignments in London and Washington during the years of the SPD administration as a kind of political exile. Der Spiegel claims that many BND managers who came to positions of authority in the last 13 years fear that Blum intends to purge the service and bring in people with close ties to the CSU.

4. The Blum era could be short even if the CDU/CSU wins the election in March, as is quite possible. The 63-year old Blum

25X1

25X1

[REDACTED]

25X1

will reach mandatory retirement age in about 18 months. We have seen indications, however, that Chancellor Kohl may waive this requirement in Blum's case.

25X6
25X6

[REDACTED]

25X1

25X1

7 January 1983

MEMORANDUM FOR: The Vice President

SUBJECT : French-US Relations and French-Soviet Relations

1. Mitterrand evidently wants to ease strained relations with Washington. The French believe that Secretary Shultz's visit to Paris last month was an important step in the right direction. Like his conservative predecessors, however, Mitterrand remains very sensitive to any perceived slight to French sovereignty. Thus he can be expected to reiterate that while he favors close cooperation with the United States on a broad range of issues, France will insist on freedom of action and will resist any perceived effort by the United States to control its political and trade ties with the East. [REDACTED]

25X1

2. For example, the French have agreed to participate in parallel studies -- in NATO, COCOM, and the OECD -- on security, financial, and energy aspects of East-West economic relations.

-- Mitterrand has made it clear, however, that France will not accept any comprehensive strategy aimed at weakening the Soviet economy. (His opposition to any suggestion of "economic warfare" recently was echoed by prominent opposition figures, including former Prime Minister Raymond Barre.)

-- Although the Mitterrand government has tightened national controls on transfers of sensitive technology to the East, they have not met all US concerns. For example, the Elysee recently approved the sale to Moscow of MT-20 telephone switching equipment that includes production technology for integrated circuits. [REDACTED]

25X1

3. On INF, Mitterrand strongly supports the NATO "dual track" decision. He shares many US concerns about the effect of the INF debate on West Germany.

25X1

25X1

25X1

- [redacted]
- Mitterrand supports the "zero option" but believes the United States must appear open to a reasonable compromise in Geneva.
 - He has said the Soviets are attempting to split the Alliance by insisting that French and British nuclear systems be taken into account in either the INF or START talks, and he probably would welcome a reiteration of US assurances that we continue to oppose such Soviet demands. [redacted]

25X1

4. Mitterrand has toned down his public criticism of US economic policies but still believes that West European economic recovery is seriously inhibited by a too-flexible dollar exchange rate and by a low US growth rate.

- He regards US criticism of protectionist trends in the EC as in part self-serving. The French remain particularly sensitive to what they view as US attempts to weaken the EC's Common Agricultural Policy. Their defense of EC agricultural policies is, of course, self-serving because the French have the most to gain both from EC barriers against agricultural imports from the United States and from EC subsidies for exports to third markets.
- Mitterrand also believes the US must commit more resources to preventing a widespread financial collapse in the Third World. [redacted]

25X1

5. Mitterrand is pleased with our close cooperation in Lebanon and has been supportive of the President's Middle East peace initiative.

- Although the French worry that the US may lose interest in pushing the peace initiative with the Israelis as the 1984 presidential campaign approaches, they recognize that only Washington is in a position to put pressure on all participants in the process. [redacted]

25X1

French-Soviet Relations

6. Mitterrand is deeply suspicious of Soviet intentions and concerned about the Soviet military buildup. The level of contact he has maintained with Moscow has been lower -- and the tone of the dialogue harsher -- than under Giscard and his Gaullist predecessors. [redacted]

25X1

7. Mitterrand apparently is skeptical that Andropov will institute dramatic changes in Soviet foreign policy but still sees advantages in sounding out the new leadership. The results of Foreign Minister Chevesson's visit to Moscow (2-6 February) likely will help shape his thinking about the future evolution of relations.

25X1

25X1

-- Mitterrand

25X1

will be reluctant to agree to a summit unless there are some signs of movement by the Soviets on issues of primary concern to Paris. (Mitterrand no doubt recalls the negative domestic reaction -- and his own scathing criticism -- following Giscard's apparently unproductive summit with Brezhnev in Warsaw in May 1980.)

25X1

8. Paris and Moscow remain at loggerheads over Soviet efforts to include -- even indirectly -- French nuclear systems in arms control negotiations.

-- The French evidently expect Moscow to step up public and private pressure on this issue in the coming months.

-- We believe the French will not budge from their opposition to any outside limitations on the size or disposition of their nuclear forces.

25X1

9. Mitterrand continues to criticize Soviet policies in Afghanistan and Poland. His tough rhetoric receives widespread domestic support, except within the generally pro-Soviet French Communist Party.

-- French-Polish relations remain cool, with Mitterrand favoring continued pressure on Warsaw for "real change." However, there are recent indications that the French may favor formal rescheduling of Polish debt, arguing that this would place more pressure on Warsaw than the current de facto rescheduling.

25X1

10. In the Third World, particularly Africa, Mitterrand is attempting to use French economic and military assistance, in addition to his own socialist credentials, to wean "progressive" regimes from Soviet and Cuban influence.

-- Paris's support for Nicaragua apparently is waning, however, in part because of French displeasure with continuing close ties between Moscow and the Sandinistas.

25X1

11. Notwithstanding differences with Moscow over political and security issues, the French are actively seeking to reduce their large trade deficit with the Soviets by boosting sales.

-- Although overall trade with the East represents only a

25X1

25X1

[redacted]
small part of French foreign trade, it provides jobs
for some sectors hard hit by the recession.

- The French, like other West Europeans, have not
entirely written off hope that East-West trade could
have a long-term moderating effect on Soviet foreign
policy. [redacted]

25X1

25X1